

The Law Offices of Avrum J. Rosen, PLLC

Proposed Counsel to Rafi Manor
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UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

In re:

Chapter 11

RAFI MANOR
a/k/a Rafael Manor

Case No.: 21-40976-jmm

Debtor.

-X

DEBTOR'S AFFIDAVIT PURSUANT TO LOCAL RULE 1007

STATE OF NEW YORK)
)ss.:
COUNTY OF KINGS)

Rafi Manor, being duly sworn, deposes and says as follows:

1. I am the individual debtor, Rafi Manor, (the “Debtor”) in the above captioned Chapter 11 case. As such I am fully familiar with the facts and circumstances contained herein. I submit this Affidavit pursuant to Local Rule 1007-4 for the Local Rules of the Bankruptcy Court for the Eastern District of New York.

2. The Debtor is an individual residing in the County of Kings. My address is 744 Lefferts Avenue, Apartment 4R, Brooklyn, New York 11203. My assets consist of the ownership interest in several LLC entities, amounts that remain outstanding for prior sales of my interests in several entities and the personal property detailed within my chapter 11 petition.

3. This case was originally commenced under Chapter 11 of the United States Bankruptcy Code. There has been no pre-petition creditor's committee. Annexed hereto as Exhibit

“A” is a list of the 20 largest unsecured claims excluding insiders, including the name, address and the amount of the claim, and an indication of whether such claims are contingent, unliquidated, disputed or partially secured.

4. Indicated on the list of the 20 largest unsecured names are personal guarantees on the notes and mortgages for several different real properties located in New York State. The nature of those debts arose when the entities that I had an ownership interest in purchased real property and subsequently borrowed a mortgage secured against the real property. The mortgagee required the members of each entity to be a personal guarantor on the note and mortgage. Thus, I executed personal guarantees on the notes and mortgages. The entities would then use the loan proceeds to fund construction on the real property to increase its value with the goal of selling it for a profit.

5. For many years it has been my business to buy, renovate and sell real property for a profit in this same manner. Due to my experience, I have also earned income on projects as a general contractor and consultant for individuals and entities that develop and sell real property. Most recently, I gained employment working as a contractor and consultant. I receive my first paystub on April 15, 2021.

6. The Debtor’s problems began to occur several years ago when I was approached by a group of investors desiring to invest in my business. As a result, I began taking on more projects than I have done in the past. Additionally, in or around 2015 the New York City Building Code implemented several changes, which increased the costs associated with developing real property. That coupled with a severe increase in the building materials led to unanticipated expenses involved with the many real property developments in process. Consequently, my cash reserve diminished. Between 2014 to 2018 I submitted over One Hundred Thirty (130) condo

developments plans to the City of New York. I successfully developed the condo developments, renegotiated debts and sold nearly all condo units.

7. Although I was involved in many projects, nothing could have prepared me for the events leading up to the National Covid-19 Emergency, which emerged in the state of New York, and forced the shut down of many projects already in the works. While mortgage and construction loan payments continued to accrue, the real properties were stalled in the construction, which prevented the sale of the real properties and potential profits that flowed. At present, I, along with M1 Development LLC, are involved in Four (4) condo developments. Three (3) of the condo developments are near completion, and once completed, will fund a plan of reorganization that should pay all creditors in full.

8. On February 10, 2020, Realya Crown Heights LLC (“Realya”) commenced arbitration by filing a demand for arbitration and statement of claim against the entities M Rental Brooklyn, M1 Development and myself in my individual capacity. Realya alleges that M Rental Brooklyn LLC is in breach of a Loan Agreement executed between M Rental Brooklyn LLC and Realya, which required arbitration. However, I and M1 Development LLC were not a party to the loan agreement and only M1 Development LLC executed a separate guarantee on the loan. I refused to give a personal guarantee and it was all parties understanding of such.

9. Despite that fact, the arbitrator, among other errors, including giving an adjournment to my new counsel that was hospitalized with Covid 19, found me to be personally liable on the loan. A motion to confirm the arbitration award was pending at the time of the filing of the petition and all of my bank accounts were restrained by a temporary restraining order (“TRO”) pending the hearing on the motion to confirm the award.

10. The Debtor intends to remove the arbitration action to Federal Court by and through the bankruptcy case, with the intention of litigating the issue of whether the Debtor is individually liable on the loan agreement executed between M Rental Brooklyn LLC and Realya. In addition, information has come to light that Realya, who had an equity interest in some of the construction projects, tortuously interfered in the contractual relationship with the construction lender which led to a breakdown in the forbearance negotiations and the ultimate assignment of the note and mortgage. The Debtor is currently evaluating what claims it may have against Realya.

11. The Debtor, along with M1 are also jointly owed not less than Five Hundred Thousand dollars (\$500,000.00) from the sale of multiple interests in LLC's. Those payments were secured by a confession of judgment. The affidavit of default of that confession of judgment was submitted several months ago to the Supreme Court of New York for entry and has not yet been entered due to the backlog caused by the Pandemic. The Debtor may remove that action as well to expedite that entry of judgment if it is not entered soon.

12. The Debtor's total liabilities at this point are approximately Six Million Two Hundred Seventy Seven Thousand Six Hundred Eighty Nine dollars and Zero cents (\$6,277,689.00).

13. At the present time, there is no real property owned by Debtor in the possession of any custodian, public officer, mortgagee, pledgee, assignee of rents, or secured creditor, or agent.

14. The Debtor's substantial assets and books and records are located at 744 Lefferts Avenue, Apartment 4R, Brooklyn, New York. The Debtor does not have any assets outside the territorial limits of the United States, but has owned property in Israel in the past.

15. It is estimated that the expenses for the 30-day period following the bankruptcy petition will be approximately Two Thousand One Hundred Five dollars (\$2,105.00) and that income will be approximately Four Thousand Five Hundred Eighty One dollars and Thirty One cents (\$4,581.31).

/s/ Rafi Manor
Rafi Manor

Sworn to before me this
19th day of April, 2021

/s/ Nico G. Pizzo
Nico G. Pizzo
Notary Public State of New York
Qualified in Suffolk County
No. 02PI6384544
Commission Exp. 12/17/2022

EXHIBIT

“A”

Fill in this information to identify your case:

Debtor 1	Rafi Manor		
	First Name	Middle Name	Last Name
Debtor 2 (Spouse if, filing)	First Name	Middle Name	Last Name
United States Bankruptcy Court for the:	EASTERN DISTRICT OF NEW YORK		
Case number (if known)			

Check if this is an amended filing

B 104

For Individual Chapter 11 Cases: List of Creditors Who Have the 20 Largest Unsecured Claims Against You and Are Not Insiders

12/15

If you are an individual filing for bankruptcy under Chapter 11, you must fill out this form. If you are filing under Chapter 7, Chapter 12, or Chapter 13, do not fill out this form. Do not include claims by anyone who is an insider. Insiders include your relatives; any general partners; relatives of any general partners; partnerships of which you are a general partner; corporations of which you are an officer, director, person in control, or owner of 20 percent or more of their voting securities; and any managing agent, including one for a business you operate as a sole proprietor. 11 U.S.C. § 101. Also, do not include claims by secured creditors unless the unsecured claim resulting from inadequate collateral value places the creditor among the holders of the 20 largest unsecured claims.

Be as complete and accurate as possible. If two married people are filing together, both are equally responsible for supplying correct information.

Part 1: List the 20 Unsecured Claims in Order from Largest to Smallest. Do Not Include Claims by Insiders.

		Unsecured claim
1	<p>What is the nature of the claim?</p> <p>As of the date you file, the claim is: Check all that apply</p> <p><input checked="" type="checkbox"/> Contingent <input checked="" type="checkbox"/> Unliquidated <input checked="" type="checkbox"/> Disputed <input type="checkbox"/> None of the above apply</p> <p>Does the creditor have a lien on your property?</p> <p><input type="checkbox"/> No <input checked="" type="checkbox"/> Yes. Total claim (secured and unsecured) Unknown Value of security: -\$0.00 Unsecured claim Unknown</p>	
2	<p>What is the nature of the claim? \$0.00</p> <p>As of the date you file, the claim is: Check all that apply</p> <p><input checked="" type="checkbox"/> Contingent <input checked="" type="checkbox"/> Unliquidated <input checked="" type="checkbox"/> Disputed <input type="checkbox"/> None of the above apply</p> <p>Does the creditor have a lien on your property?</p>	

Debtor 1	Rafi Manor	Case number (if known)
<p>Contact _____</p> <p>Contact phone _____</p>		<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Total claim (secured and unsecured) Value of security: _____ Unsecured claim: _____
3	AmeriCredit/GM Financial Attn: Bankruptcy Po Box 183853 Arlington, TX 76096	What is the nature of the claim? Auto Lease \$0.00
As of the date you file, the claim is: Check all that apply <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed <input checked="" type="checkbox"/> None of the above apply		
Does the creditor have a lien on your property? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Total claim (secured and unsecured) Value of security: _____ Unsecured claim: _____		
4	Barclays Bank Delaware Attn: Bankruptcy Po Box 8801 Wilmington, DE 19899	What is the nature of the claim? Credit Card \$19.00
As of the date you file, the claim is: Check all that apply <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed <input checked="" type="checkbox"/> None of the above apply		
Does the creditor have a lien on your property? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Total claim (secured and unsecured) Value of security: _____ Unsecured claim: _____		
5	Chase Card Services Attn: Bankruptcy Po Box 15298 Wilmington, DE 19850	What is the nature of the claim? Credit Card \$2,424.00
As of the date you file, the claim is: Check all that apply <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed <input checked="" type="checkbox"/> None of the above apply		
Does the creditor have a lien on your property? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Total claim (secured and unsecured) Value of security: _____ Unsecured claim: _____		
6	Chase Card Services Attn: Bankruptcy Po Box 15298 Wilmington, DE 19850	What is the nature of the claim? Credit Card \$550.00
As of the date you file, the claim is: Check all that apply <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated		

Debtor 1	Rafi Manor	Case number (if known)
<p><input type="checkbox"/> Disputed <input checked="" type="checkbox"/> None of the above apply</p>		
<p>Does the creditor have a lien on your property?</p> <p><input checked="" type="checkbox"/> No</p> <p><input type="checkbox"/> Yes. Total claim (secured and unsecured) Value of security: _____ Unsecured claim: _____</p>		
7	<p>What is the nature of the claim?</p> <p>Cross County Savings B 79-21 Metropolitan Ave Middle Village, NY 11379</p>	<p>Guarantor on Note for Real Estate Mortgage 1407 Vyse Street Bronx, New York</p> <p>Unknown</p>
<p>As of the date you file, the claim is: Check all that apply</p> <p><input checked="" type="checkbox"/> Contingent <input checked="" type="checkbox"/> Unliquidated <input checked="" type="checkbox"/> Disputed <input type="checkbox"/> None of the above apply</p>		
<p>Does the creditor have a lien on your property?</p> <p><input type="checkbox"/> No</p> <p><input checked="" type="checkbox"/> Yes. Total claim (secured and unsecured) Value of security: \$326,273.00 Unsecured claim: Unknown Unknown</p>		
8	<p>What is the nature of the claim?</p> <p>Fifth Third Bank Attn: Bankruptcy Maildrop RCSB3E 1830 E Paris Ave SE Grand Rapids, MI 49546</p>	<p>Guarantor on Note for Real Estate Mortgage 1450 Leland Avenue Bronx, New York 10460</p> <p>Unknown</p>
<p>As of the date you file, the claim is: Check all that apply</p> <p><input checked="" type="checkbox"/> Contingent <input checked="" type="checkbox"/> Unliquidated <input checked="" type="checkbox"/> Disputed <input type="checkbox"/> None of the above apply</p>		
<p>Does the creditor have a lien on your property?</p> <p><input type="checkbox"/> No</p> <p><input checked="" type="checkbox"/> Yes. Total claim (secured and unsecured) Value of security: \$836,391.00 Unsecured claim: Unknown Unknown</p>		
9	<p>What is the nature of the claim?</p> <p>Fifth Third Bank Attn: Bankruptcy Maildrop RCSB3E 1830 E Paris Ave SE</p>	<p>Guarantor on Note for Real Estate Mortgage 1354 Findlay Avenue Bronx, New York</p> <p>Unknown</p>

Debtor 1	Rafi Manor	Case number (if known)
Grand Rapids, MI 49546		As of the date you file, the claim is: Check all that apply
		<input checked="" type="checkbox"/> Contingent
		<input checked="" type="checkbox"/> Unliquidated
		<input checked="" type="checkbox"/> Disputed
		<input type="checkbox"/> None of the above apply
Does the creditor have a lien on your property?		
		<input type="checkbox"/> No
		<input checked="" type="checkbox"/> Yes. Total claim (secured and unsecured) \$765,581.00
Contact		Value of security: - Unknown
Contact phone		Unsecured claim Unknown
10	What is the nature of the claim?	Guarantor on Note for Real Estate Mortgage
		717 Prospect Avenue Bronx, New York
Fifth Third Bank Attn: Bankruptcy Maildrop RCSB3E 1830 E Paris Ave SE Grand Rapids, MI 49546		As of the date you file, the claim is: Check all that apply
		<input checked="" type="checkbox"/> Contingent
		<input checked="" type="checkbox"/> Unliquidated
		<input checked="" type="checkbox"/> Disputed
		<input type="checkbox"/> None of the above apply
Does the creditor have a lien on your property?		
		<input type="checkbox"/> No
		<input checked="" type="checkbox"/> Yes. Total claim (secured and unsecured) \$739,864.00
Contact		Value of security: - Unknown
Contact phone		Unsecured claim Unknown
11	What is the nature of the claim?	Guarantor on Note for Real Estate Mortgage
		413 East 173rd Street Bronx, New York
Fifth Third Bank Attn: Bankruptcy Maildrop RCSB3E 1830 E Paris Ave SE Grand Rapids, MI 49546		As of the date you file, the claim is: Check all that apply
		<input checked="" type="checkbox"/> Contingent
		<input checked="" type="checkbox"/> Unliquidated
		<input checked="" type="checkbox"/> Disputed
		<input type="checkbox"/> None of the above apply
Does the creditor have a lien on your property?		
		<input type="checkbox"/> No
		<input checked="" type="checkbox"/> Yes. Total claim (secured and unsecured) \$725,532.00
Contact		Value of security: - Unknown
Contact phone		Unsecured claim Unknown
12	What is the nature of the claim?	Credit Line Secured
		85-35 212th Street
Flushing Bank 14451 Northern Blvd		Flushing, New York
		Unknown

Debtor 1	Rafi Manor	Case number (if known)
Flushing, NY 11354		As of the date you file, the claim is: Check all that apply
		<input checked="" type="checkbox"/> Contingent
		<input checked="" type="checkbox"/> Unliquidated
		<input type="checkbox"/> Disputed
		<input type="checkbox"/> None of the above apply
Does the creditor have a lien on your property?		
<input type="checkbox"/> No		
Contact		\$487,497.00
<input checked="" type="checkbox"/> Yes. Total claim (secured and unsecured)		
Value of security:		- Unknown
Unsecured claim		Unknown
13	What is the nature of the claim?	Guarantor on real property
		17 Diamond Street Brooklyn, New York
Goldman Sachs Bank USA 1503 Ventura Boulevard Suite 70 Sherman Oaks, CA 91403		As of the date you file, the claim is: Check all that apply
		<input checked="" type="checkbox"/> Contingent
		<input checked="" type="checkbox"/> Unliquidated
		<input checked="" type="checkbox"/> Disputed
		<input type="checkbox"/> None of the above apply
Does the creditor have a lien on your property?		
<input type="checkbox"/> No		
Contact		Unknown
<input checked="" type="checkbox"/> Yes. Total claim (secured and unsecured)		
Value of security:		- \$0.00
Unsecured claim		Unknown
14	What is the nature of the claim?	Guarantor on real property
		438 Herkimer Street Brooklyn, New York
Grande Prezzo LLC 55 Northern Boulevard Suite 202 Great Neck, NY 11021		As of the date you file, the claim is: Check all that apply
		<input checked="" type="checkbox"/> Contingent
		<input checked="" type="checkbox"/> Unliquidated
		<input checked="" type="checkbox"/> Disputed
		<input type="checkbox"/> None of the above apply
Does the creditor have a lien on your property?		
<input type="checkbox"/> No		
Contact		Unknown
<input checked="" type="checkbox"/> Yes. Total claim (secured and unsecured)		
Value of security:		- \$0.00
Unsecured claim		Unknown
15	What is the nature of the claim?	Guarantor on real property
		54 Dupoint Street Brooklyn, New York
Hampton Partners LLC		

Debtor 1 Rafi Manor Case number (if known) _____

Disputed
 None of the above apply

Does the creditor have a lien on your property?

No
 Yes. Total claim (secured and unsecured)
 Value of security: _____
 Unsecured claim: _____

19 U.S. Bancorp What is the nature of the claim? Credit Card \$22.00

Attn: Bankruptcy
 800 Nicollet Mall
 Minneapolis, MN 55402

As of the date you file, the claim is: Check all that apply

Contingent
 Unliquidated
 Disputed
 None of the above apply

Does the creditor have a lien on your property?

No
 Yes. Total claim (secured and unsecured)
 Value of security: _____
 Unsecured claim: _____

20 Verizon What is the nature of the claim? \$409.00

Verizon Wireless Bk Admin
 500 Technology Dr Ste 550
 Weldon Springs, MO 63304

As of the date you file, the claim is: Check all that apply

Contingent
 Unliquidated
 Disputed
 None of the above apply

Does the creditor have a lien on your property?

No
 Yes. Total claim (secured and unsecured)
 Value of security: _____
 Unsecured claim: _____

Part 2: Sign Below

Under penalty of perjury, I declare that the information provided in this form is true and correct.

X /s/ Rafi Manor
Rafi Manor
 Signature of Debtor 1

X _____
 Signature of Debtor 2

Date April 14, 2021

Date _____